



CONSOLIDATED BUSINESS RESULTS OF THE FIRST QUARTER ENDED JUNE 30, 2006

**August 3, 2006
NSK Ltd.**

Cautionary Statements with Respect to Forward-Looking Statements

Statements made in this report with respect to plans, strategies and future performance that are not historical fact are forward-looking statements. NSK cautions that a number of factors could cause actual results to differ materially from those discussed in the forward-looking statements.

Note : This document is an English translation of material written initially in Japanese. The Japanese original should be considered the primary version.

Summary of the Consolidated Business Results for Q1 of the year ending Mar. 31, 2007



1Q Results

Sales and operating income recorded a year-on-year increase by 18.3% and 82.8% respectively.

Demand continued to remain healthy. Sales of each segment increased largely.



Forecast for the first half of the year ending Mar. 31, 2007

Strong demand continue, financial results expected to exceed the forecast announced at beginning of the period.

Upward revision made to forecast for sales and profits in the first half of the year ending March 31, 2007

Summary of the Consolidated Business Results for Q1 of the year ending Mar. 31, 2007



(¥100 million)	Year ended Mar.31, 2006					Year ending Mar. 31, 2007		
	Q1 Japan: Apr.-Jun. Overseas: Jan.-Mar. <Actual>	Q2 Japan: Jul.-Sep. Overseas: Apr.-Jun. <Actual>	Q3 Japan: Oct.-Dec. Overseas: Jul.-Sep. <Actual>	Q4 Japan: Jan.-Mar. Overseas: Oct.-Dec. <Actual>	Full year Japan: Apr.-Mar. Overseas: Jan.-Dec. <Actual>	Q1 Japan: Apr.-Jun. Overseas: Apr.-Jun. <Actual>	Y-O-Y	1 st half <Initial forecast>
Sales	1,471	1,558	1,596	1,660	6,285	1,741	+18.3%	3,350
Operating income	81	103	111	131	426	148	+82.8%	245
<Margin>	<5.5%>	<6.6%>	<6.9%>	<7.9%>	<6.8%>	<8.5%>		<7.3%>
Ordinary income	76	93	115	105	389	137	+80.5%	220
Profit before tax	103	87	136	105	431	137	+33.8%	220
Net income	56	44	83	73	256	84	+48.4%	130
(Rate: 1US\$=)	(¥104.72)	(¥107.82)	(¥111.93)	(¥117.02)	(¥110.37)	(¥114.34)		(¥108)
(Rate: 1EURO=)	(¥138.08)	(¥136.10)	(¥135.81)	(¥139.53)	(¥137.39)	(¥144.02)		(¥136)

Business Results - by business segments



(\yen 100 million)	Year ended Mar.31, 2006					Year ending Mar. 31, 2007		
	Q1 <Actual>	Q2 <Actual>	Q3 <Actual>	Q4 <Actual>	Full year <Actual>	Q1 <Actual>	Y-O-Y	1 st half <Initial forecast>
Sales	1,471	1,558	1,596	1,660	6,285	1,741	+18.3%	3,350
Industrial bearings	466	482	492	516	1,956	520	+11.5%	1,000
Automotive products	822	866	900	943	3,531	977	+18.9%	1,870
Precision machinery & parts	148	174	172	164	658	181	+22.8%	360
Others	56	62	53	64	235	116	+106.2%	160
Elimination	-21	-26	-21	-27	-95	-53		-40
Operating income	81 <5.5%>	103 <6.6%>	111 <6.9%>	131 <7.9%>	426 <6.8%>	148 <8.5%>	+82.8%	245 <7.3%>
Industrial bearings	48 <10.4%>	53 <11.0%>	57 <11.6%>	63 <12.1%>	221 <11.3%>	65 <12.5%>	+34.5%	113 <11.3%>
Automotive products	30 <3.6%>	45 <5.2%>	43 <4.8%>	56 <5.9%>	174 <4.9%>	59 <6.1%>	+99.6%	105 <5.6%>
Precision machinery & parts	7 <4.7%>	12 <6.9%>	17 <10.0%>	20 <12.2%>	56 <8.5%>	26 <14.3%>	+270.4%	42 <11.7%>
Others	4 <6.5%>	4 <7.5%>	3 <4.8%>	2 <3.4%>	13 <5.5%>	8 <6.5%>	+106.6%	10 <6.3%>
Elimination	-8	-11	-9	-10	-38	-10		-25

Industrial machinery bearings ··· Strong demand continued. Volume growth and increase in sales price contributed to profit improvement.

Automotive products ··· Demand remained healthy worldwide. Operating income margin recovered to 6% due to volume growth and cost reductions.

Precision machinery and parts ··· Sales to semiconductor and liquid crystal production equipment remained healthy. Profitability recovered backed by production improvements.

Business Results - by geographical regions



(¥100 million)	Year ended Mar.31, 2006					Year ending Mar. 31, 2007		
	Q1 <Actual>	Q2 <Actual>	Q3 <Actual>	Q4 <Actual>	Full year <Actual>	Q1 <Actual>	Y-O-Y	1 st half <Initial forecast>
Sales	1,471	1,558	1,596	1,660	6,285	1,741	+18.3%	3,350
Japan	1,096	1,178	1,215	1,273	4,762	1,255	+14.5%	2,490
Americas	209	226	229	240	904	256	+22.9%	480
Europe	274	260	249	266	1,049	330	+20.4%	560
Asia	165	185	196	212	758	225	+36.2%	420
Elimination	-273	-291	-293	-331	-1,188	-325		-600
Operating income	81 <5.5%>	103 <6.6%>	111 <6.9%>	131 <7.9%>	426 <6.8%>	148 <8.5%>	+82.8%	245 <7.3%>
Japan	58 <5.3%>	79 <6.7%>	85 <7.0%>	94 <7.4%>	316 <6.6%>	99 <7.9%>	+69.7%	177 <7.1%>
Americas	3 <1.7%>	10 <4.4%>	3 <1.5%>	8 <3.0%>	24 <2.7%>	10 <3.8%>	+182.4%	18 <3.8%>
Europe	10 <3.5%>	6 <2.5%>	12 <4.6%>	14 <5.5%>	42 <4.0%>	21 <6.5%>	+121.5%	22 <3.9%>
Asia	10 <5.8%>	12 <6.9%>	14 <7.0%>	15 <7.2%>	51 <6.7%>	19 <8.5%>	+99.3%	32 <7.6%>
Elimination	0	-4	-3	0	-7	-1		-4

Japan: In addition to volume growth, factors such as productivity improvement, reduction of external procurement costs, effects of consolidating Amatshji, and changes in exchange rate contributed to profit increase.

Americas: Sales increased due to volume growth. However, profitability was negatively affected by restructuring costs.

Europe: Volume growth and increase in sales price pushed up total sales, and the results exceeded initial forecast.

Asia: Sales increased due to healthy demands in Thailand and ASEAN regions and profitability improvement by

4 stabilization of productivity in China.

Net sales - by customer location



(¥100 million)	Year ended Mar.31, 2006					Year ending Mar. 31, 2007		
	Q1 <Actual>	Q2 <Actual>	Q3 <Actual>	Q4 <Actual>	Full year <Actual>	Q1 <Actual>	Y-O-Y	1 st half <Initial forecast>
Sales	1,471	1,558	1,596	1,660	6,285	1,741	+18.3%	3,350
Japan	765	798	846	892	3,301	865	+13.0%	1,749
Americas	215	231	235	242	923	262	+21.7%	483
Europe	251	246	236	249	982	317	+26.3%	533
Asia	240	283	279	277	1,079	297	+23.7%	585

Japan . . . Demand in machine tools industry and general industrial machinery remained healthy. Sales to automotive manufacturers and semiconductor and liquid crystal production equipment sectors strengthened.

Americas . . . Sales to automotive manufacturers, especially Japanese automakers, were strong. Demand by semiconductor equipment manufacturers recovered gradually.

Europe . . . Sales of automotive products, especially electric power steering (EPS) systems to automotive manufacturers and general industrial machinery increased.

Asia . . . Sales to automotive manufacturers in Thailand and China, and sales of precision machinery and parts such as photofabrication equipment increased.

Consolidated balance sheets



(¥100 million)	Year ended Mar.31, 2006				Year ending Mar. 31, 2007	
	Q1 <Actual>	Q2 <Actual>	Q3 <Actual>	Q4 <Actual>	Q1 <Actual>	Y-O-Y
Assets						
Current assets	2,924	2,865	2,949	3,136	3,247	+111
Non-current assets	3,558	3,728	3,946	4,294	4,182	-112
Total assets	6,482	6,593	6,895	7,430	7,429	-1
Liabilities and Shareholder's equity						
Current liabilities	2,550	2,617	2,631	2,668	2,739	+71
Long-term liabilities	1,853	1,769	1,832	2,284	2,173	-111
Total liabilities	4,403	4,386	4,463	4,952	4,912	-40
Minority interests	118	123	128	121	-	-121
Total shareholder's equity	1,961	2,084	2,304	2,357	2,517	+160
Total liabilities and shareholder's equity	6,482	6,593	6,895	7,430	7,429	-1
(Rate:1US\$=)	(¥107.39)	(¥110.62)	(¥113.19)	(¥118.07)	(¥115.24)	
(Rate:1EURO=)	(¥138.87)	(¥133.63)	(¥136.13)	(¥139.83)	(¥146.00)	

Inventories



(¥100 million)	Year ended Mar.31, 2006				Year ending Mar. 31, 2007	
	Q1 <Actual>	Q2 <Actual>	Q3 <Actual>	Q4 <Actual>	Q1 <Actual>	Y-O-Y
Japan	425	422	458	470	490	+20
Overseas	469	480	511	543	538	-5
Americas	151	163	169	179	187	+8
Europe	187	179	196	206	192	-14
Asia	131	138	146	158	159	+1
Total	894	902	969	1,013	1,028	+15
Turnover	6.9	7.0	6.9	6.9	6.8	

Capital expenditures Depreciation and Amortization



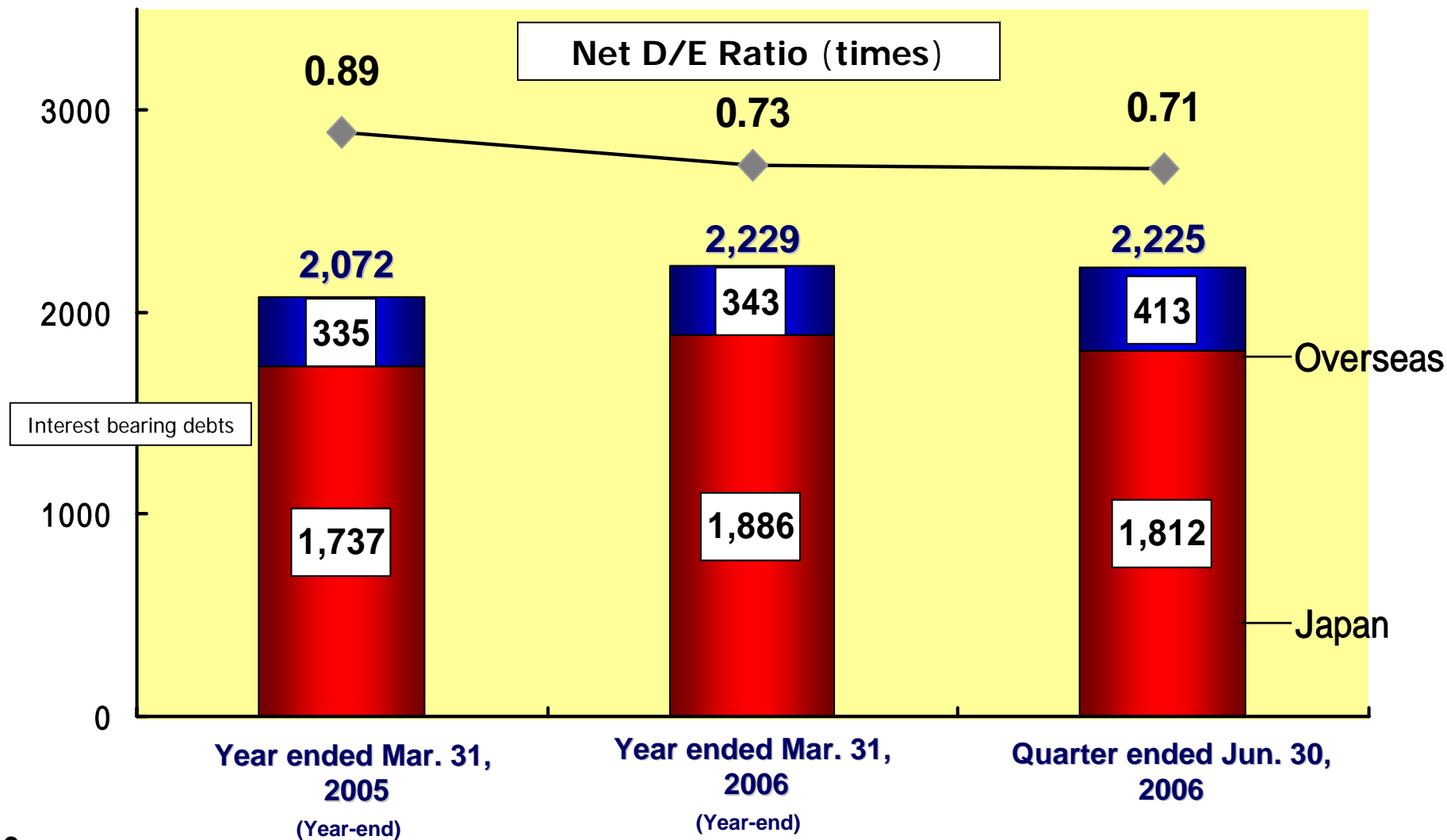
(¥100 million)	Year ended Mar.31, 2006					Year ending Mar. 31, 2007	
	Q1 <Actual>	Q2 <Actual>	Q3 <Actual>	Q4 <Actual>	Full year <Actual>	Q1 <Actual>	Full year <Plan>
Capital expenditures	89	155	101	128	473	72	355
Japan	55	97	69	88	309	41	231
Overseas	34	58	32	40	164	31	124
Americas	9	10	10	12	41	15	32
Europe	4	14	6	12	36	4	22
Asia	21	34	16	16	87	12	70

(¥100 million)	Year ended Mar.31, 2006					Year ending Mar. 31, 2007	
	Q1 <Actual>	Q2 <Actual>	Q3 <Actual>	Q4 <Actual>	Full year <Actual>	Q1 <Actual>	Full year <Plan>
Depreciation	65	69	76	84	294	80	320
Japan	39	43	47	51	180	46	-
Overseas	26	26	29	33	114	34	-

Interest bearing debts



[¥100 millions]



**Revised forecast
for the year ending March 31, 2007**

Revised forecast for the year ending Mar. 31, 2007



(¥100 million)	Year ended Mar.31, 2006		Year ending Mar. 31, 2007				Difference between initial and revised forecast
	1 st half <Actual>	Full year <Actual>	1 st half <Initial forecast>	Full year <Initial forecast>	1 st half <Revised forecast>	Full year <Revised forecast>	
Sales	3,029	6,285	3,350	6,800	3,450	6,900	+100
Operating income	184	426	245	520	280	555	+35
<Margin>	<6.1%>	<6.8%>	<7.3%>	<7.6%>	<8.1%>	<8.0%>	
Ordinary income	169	389	220	470	250	500	+30
Profit before tax	190	431	220	470	250	500	+30
Net income	100	256	130	280	150	300	+20
(Rate: 1 US\$=)	(¥106.27)	(¥110.37)	(¥108)	(¥108)	(¥112.17)	(¥110.09)	
(Rate: 1 EURO=)	(¥137.10)	(¥137.39)	(¥136)	(¥136)	(¥140.01)	(¥138.01)	

Upward revisions were made to forecast for sales and profits in the first half of the year ending March 31, 2007

Strong demand expected to continue in the second quarter.
No revisions made for forecast for the second half of the year due to uncertainty of business environment.

Revised forecast - by business segments



(¥100 million)	Year ended Mar.31, 2006		Year ending Mar. 31, 2007				
	1 st half <Actual>	Full year <Actual>	1 st half <Initial forecast>	Full year <Initial forecast>	1 st half <Revised forecast>	Full year <Revised forecast>	Difference between initial and revised forecast
Sales	3,029	6,285	3,350	6,800	3,450	6,900	+100
Industrial bearings	948	1,956	1,000	2,050	1,036	2,086	+36
Automotive products	1,688	3,531	1,870	3,790	1,921	3,841	+51
Precision machinery & parts	322	658	360	720	370	730	+10
Others	118	235	160	320	226	446	+126
Elimination	-47	-95	-40	-80	-103	-203	-123
Operating income	184 <6.1%>	426 <6.8%>	245 <7.3%>	520 <7.6%>	280 <8.1%>	555 <8.0%>	+35
Industrial bearings	101 <10.6%>	221 <11.3%>	113 <11.3%>	237 <11.6%>	128 <12.4%>	252 <12.1%>	+15
Automotive products	75 <4.4%>	174 <4.9%>	105 <5.6%>	222 <5.9%>	112 <5.8%>	229 <6.0%>	+7
Precision machinery & parts	19 <5.8%>	56 <8.5%>	42 <11.7%>	84 <11.7%>	50 <13.5%>	92 <12.6%>	+8
Others	8 <7.0%>	13 <5.5%>	10 <6.3%>	27 <8.4%>	15 <6.6%>	32 <7.2%>	+5
Elimination	-19	-38	-25	-50	-25	-50	0

Revised forecast - by geographical regions



(¥100 million)	Year ended Mar.31, 2006		Year ending Mar. 31, 2007				
	1 st half <Actual>	Full year <Actual>	1 st half <Initial forecast>	Full year <Initial forecast>	1 st half <Revised forecast>	Full year <Revised forecast>	Difference between initial and revised forecast
Sales	3,029	6,285	3,350	6,800	3,450	6,900	+100
Japan	2,274	4,762	2,490	5,080	2,541	5,131	+51
Americas	435	904	480	970	494	984	+14
Europe	534	1,049	560	1,110	601	1,151	+41
Asia	350	758	420	870	477	927	+57
Elimination	-564	-1,188	-600	-1,230	-663	-1,293	-63
Operating income	184 <6.1%>	426 <6.8%>	245 <7.3%>	520 <7.6%>	280 <8.1%>	555 <8.0%>	+35
Japan	137 <6.0%>	316 <6.6%>	177 <7.1%>	377 <7.4%>	192 <7.6%>	392 <7.6%>	+15
Americas	13 <3.1%>	24 <2.7%>	18 <3.8%>	36 <3.7%>	20 <4.0%>	38 <3.9%>	+2
Europe	16 <3.0%>	42 <4.0%>	22 <3.9%>	47 <4.2%>	33 <5.5%>	58 <5.0%>	+11
Asia	22 <6.4%>	51 <6.7%>	32 <7.6%>	69 <7.9%>	41 <8.6%>	78 <8.4%>	+9
Elimination	-4	-7	-4	-9	-6	-11	-2

Revised forecast - by customer location



(\yen 100 million)	Year ended Mar.31, 2006		Year ending Mar. 31, 2007				Difference between initial and revised forecast
	1 st half <Actual>	Full year <Actual>	1 st half <Initial forecast>	Full year <Initial forecast>	1 st half <Revised forecast>	Full year <Revised forecast>	
Sales	3,029	6,285	3,350	6,800	3,450	6,900	+100
Japan	1,563	3,301	1,749	3,587	1,766	3,604	+17
Americas	446	923	483	974	507	998	+24
Europe	497	982	533	1,049	567	1,083	+34
Asia	523	1,079	585	1,190	610	1,215	+25

Supplementary information



(¥100 million)	Year ended Mar.31, 2006				Year ending Mar. 31, 2007	
	Q1 <Actual>	Q2 <Actual>	Q3 <Actual>	Q4 <Actual>	Q1 <Actual>	Full year <Plan>
Research & Development	24	24	23	26	23	100

(number of employees)	Year ended Mar.31, 2006				Year ending Mar. 31, 2007
	Q1 <Actual>	Q2 <Actual>	Q3 <Actual>	Q4 <Actual>	Q1 <Actual>
Employees	21,437	21,601	21,742	22,639	23,140
Japan	9,099	9,083	9,108	9,742	10,108
Parent company (Non-consolidated)	3,801	4,247	4,272	4,272	4,490
Americas	3,144	3,149	3,129	3,102	3,197
Europe	4,369	4,176	4,153	4,234	4,187
Asia	4,825	5,193	5,352	5,561	5,648